



# European Agenda

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Insurance Committee

10th April 2025, Edinburgh

# Notes from EIOPA IRSG meetings

## Update by EIOPA:

- EIOPA's work for reducing reporting requirements and policy documentation.
  - EIOPA will be asked in June 2025 (by EC) on how much they have been able to reduce SII related reporting. Currently, 16% reduced data points for SME's has now been achieved (some might be in the pipeline).
  - On documentation, EIOPA stressed that stakeholders should try to impact more on the legal work as the mandate for EIOPA is given there and forces EIOPA to act. Anyway, EIOPA has been picking up the overall 25% reduction target even though they have not received any official request from Brussels. Examples can be seen from some of the current consultations to existing guidance's.
- Asked about the 5% market share threshold that was one outcome of the now finalized Solvency II proportionality consultation. EIOPA seemed to have very difficult discussion in EIOPA BoS and certainly not unanimous. In the end the majority turned in favor. One argument for small FSA's was that they wanted to have more information from the market. Then bigger country FSA's wanted to be able to leave some part of the market out... expectation was that exceptions will be made in the end (even though hard limits exist).
- The proportionality work was opened to discussion by EGBPI on March: 'Member States are being invited to suggest simplifications or removals to the 18 proportionality conditions...'

## Update by EIOPA:

- AI Act. Insurance is included and some guidance will be drafted by commission, not EIOPA. EIOPA's understanding was that many of the AI Act related definitions are already somehow dealt with in the solvency II legislation and that these should not create issues in terms of interpreting AI Act. But then when it comes to how to apply AI Act to internal models or outsourcing, these certainly need for interpretations. In the commission, there is a group dedicated to financial services and works under the group responsible for all the AI act work (commission's AI board). EIOPA told that that group seems to listen to ESA's quite carefully.
- One open question seems to be that how AI can be supervised? There will be an AI supervisor, but its role is bit complicated.
- Another question is still with generalized linear models – are these ruled out or not. Both EIOPA and DG FISMA have not made their mind yet.
- IGS's in insurance. This work seems to continue by the commission. One argument, at least for life insurance, is that IGS's are needed if there was an EU goal (like investment and savings union) to persuade citizens to change to savings from bank accounts (because there is 100k guarantee for bank accounts)
- EIOPA new strategy work is starting this year (current ends 2026). EIOPA will ask IRSG to provide ideas into it. EIOPA will take a close look on how current megatrends will impact EU insurers? Also, the strategy should be more focused than the current one they have.

## Other topics covered/discussed:

- March McLennan 2025 Global Risk Report. An IRSG member representing this group presented the main findings for their survey which had been prepared for the world economic forum. The main output was that for the couple years forward, different conflicts (inter-state armed conflict, geo-economic confrontation, false/dis-information. cyber) was on top of the risks charts, after that, the long term risk was more on climate related physical risks. (attached the presentation)
- EIOPA presentation on a co-operation with ECB on Insurance protection gap and natural catastrophe risk management. Two solutions was identified:
  - (1) EU public-private reinsurance scheme for insurers. re-insurers and national schemes and
  - (2) EU public disaster financing for governments.→ Political decisions, which these would require, have not been made. (attached the presentation)
- EIOPA asked IRSG input on ongoing work on consumer trends. They will do the work during this year and publish a report on January 2026. Topics such as Value for money (also for non-life), access to digital channels and understanding how AI is changing the current way consumers use insurance (buying, claims, information, ...)

# Right to be forgotten / cancer (RTBF)

- IE seems to be following quite carefully the progress on RTBF and has prepared a short paper highlighting the narrowed scope, justified cut-off period and insurers access to data. IE is still in more favor of a EU wide CoC than a legislation. Anyway, they keep the political 'risk' important now when some background discussion seems to be started in Brussels – RTBF is still a very probable outcome of political discussions.
- In Ireland, following the December election, a commitment to legislate for a RTBF has been included in the programme for government of the new coalition government. When this might happen within the 5-year term of the government is unclear as of yet. However, it would be a fairly simple thing for them to codify the Insurance Ireland code of practice (CoP) within legislation.
  - Insurance Ireland have been lobbying to say this is unnecessary and could potentially have unintended consequences. Insurance Ireland are due to publish an implementation review of the first year of the CoP in April, so I suspect nothing will happen before then. They have commissioned an independent consultant to carry out this review.
  - Society of Actuaries in Ireland RTBF Working Group is working on a backtest of CoP rules using the dataset they have, ready on April
- In France, there seems to be more appetite to regulate some insurance products in a stricter way – it was not clear whether it consider mortality risk related products.
- We might also need to continue the work someways:
  - Discriminating or Differentiating? - 'actuarial fairness' (customers bearing the same risk are charged the same price) and Understanding that the risk profile requires differentiating of data
  - Restricting the use of data – How affects pricing, linking the topic to Gen AI and EU regulation,
  - The new EIOPA Consultative Expert Group on data use in insurance might cover topics relating to RTBF (on restricting the use of data)
  - AAE survey could be launched or the TF continued - opinions to this?



# Call with EIOPA on planned thematic review on unfair treatment of people with chronic diseases



- **In the call 25<sup>th</sup> March:** 3 EIOPA representatives, Lauri Saraste (IC/AAE), Gavin Maguire (RTBF TF/Ireland)
  - **Scope of the review:** understanding if there are instances of unfair treatment of people with chronic diseases within the European insurance market. The aim of the thematic review is to be diagnostic. → not to debate or question risk-based pricing but more the understand current treatment.
  - **Conditions of focus:** HIV, Diabetes and Pregnancy (though while these are the areas of focus it is not a completely closed list).
  - **Products of focus:** Term Life, Private Health, and potentially Personal Accident.
  - **Planned Methodology:**
    - Survey 1: To local supervisors which has already been issued.
    - Survey 2: An industry survey. → what form this takes and to who it should go.
  - We brought out that the requirement for underwriting outcomes to be explainable and justifiable, and how insurers typically rely on Underwriting Manuals to drive their Underwriting Philosophies. These underwriting manuals are mainly developed by teams of Actuaries, Data Scientists, and Medical Professionals within global reinsurance companies, using the most recent data available to them (e.g. NHANES).
  - EIOPA was interested, for instance:
    - In the granularity within underwriting philosophies, and what are the factors that insurers use to segment customer pricing
    - How to compare pricing across countries
    - Whether younger lives are overpaying to compensate for older lives
- Some material was sent to EIOPA afterwards and Gavin offered to educate on the UW process.

# EU Omnibus Simplification Package

- A proposal for a Directive amending the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD) ([link](#))
  - Reduction of the scope of CSRD reporting companies to companies with more than 1000 employees, Introducing a 'Value chain cap' for companies outside the scope of CSRD, making a revision of ESRS and eliminating the sector-specific standards
- A proposal which postpones the application of all reporting requirements in the CSRD for companies that are due to report in 2026 and 2027 (so-called wave 2 and 3 companies) and which postpones the transposition deadline and the first wave of application of the CSDDD by one year to 2028 ([link](#))
- A draft Delegated act amending the Taxonomy Disclosures and the Taxonomy Climate and Environmental Delegated Acts subject to public consultation. ([consultation](#))
  - Introduce the option of reporting on activities that are partially aligned with the EU
  - Taxonomy, Proposals of a reduction of data points by almost 70%, introduce a financial materiality threshold for the Taxonomy reporting, proposals to simplify the most complex "Do no Significant harm" (DNSH) criteria for pollution prevention and control and improving KPIs for financial institutions
- A proposal for a Regulation amending the Carbon Border Adjustment Mechanism Regulation
- A proposal for a Regulation amending the Invest EU Regulation.